



American Civil Liberties Union
of Montana
P.O. Box 1317
Helena, MT 59624
www.aclumontana.org

EXHIBIT 4
DATE 3-8-13
HB SB81

March 8, 2013

Dear Members of the House Taxation Committee,

The ACLU of Montana – a membership based organization of nearly 2,000 Montana households dedicated to defending the Constitution and the Bill of Rights – respectfully opposes SB 81.

SB 81 appears to be an expansion of permissible tax credits, but in reality it has the potential to divert public taxpayer monies to subsidize private, religious schools, and is, in essence, a voucher program in disguise. Article X, Section 6, of the Montana Constitution clearly states that no direct or indirect appropriation from any public fund or monies shall be used to aid any school, academy, college, or university controlled in whole or part by any church, sect or denomination. SB 81 violates this constitutional prohibition and undermines our public education system.

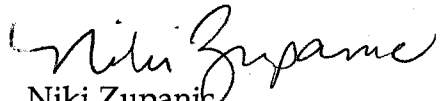
Tax credits use public monies to subsidize private education, including religious institutions. Supporters of this legislation may say that this benefit does not involve public money. As a legal and practical matter, however, tax credits are public funds; when the government grants such tax credits, it forgoes income. In the case of the tax credits proposed by this bill, the state government loses revenue for every dollar credited for taxpayer contributions to student scholarship organizations. This tax credit is the functional equivalent of the government awarding scholarships to religious schools and is therefore an indirect appropriation of public funds.

Tax credits for scholarships to private schools harm our public education system by misappropriating funds that could be used to fund our public schools at constitutionally adequate levels. Under this bill, certain taxpayers and private schools would benefit, while public schools lose funds. The definition of “qualified education provider” in the bill is limited to nonpublic schools. These proposed tax diversions will harm funding for our public schools by redirecting money that would otherwise benefit our state’s public schools and funneling it through the taxpayer to private schools. And because private schools are generally religious in nature, providing them with public assistance would significantly infringe on the Constitutional value of separation of church and state.



This bill is poor public policy and a back door attempt to circumvent Article X, Section 6, of the Montana State Constitution. We respectfully urge a DO NOT PASS on SB 81.

Sincerely,

A handwritten signature in cursive script, appearing to read "Niki Zupanic".

Niki Zupanic
Public Policy Director